



Department of General Services
Procurement Division
707 Third Street, Second Floor
West Sacramento, California 95605

MASTER SERVICES AGREEMENT PURCHASE CARD SERVICES (CAL-CARD PROGRAM) USER INSTRUCTIONS

CONTRACTORS: US Bank

CONTRACT NUMBERS: 5-06-99-01

CONTRACT TERM: October 19, 2006 through October 18, 2011

SERVICE: PURCHASE CARD SERVICES (Statewide)

DISTRIBUTION CODE: ALL CONTRACTING OFFICES; LOCAL AGENCY LIST;
MSA CONTRACTORS, PD CENTRAL RECORDS

NOTE: Electronic version of all documents associated with this MSA can be found on
the DGS/PD Internet web page: www.pd.dgs.ca.gov/calcard

USER GUIDE ISSUE DATE AND EFFECTIVE DATE: November 14, 2006

Any questions regarding this MSA shall be directed to the contract administrator:

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PURCHASE CARD SERVICES

USER GUIDE

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SECTION I

INTRODUCTION AND GENERAL INFORMATION

This MSA provides statewide purchase card services for the State and participating local governmental entities (agencies). It is also made available for partners in the Western States Contracting Alliance (WSCA).

See: <http://www.pd.dgs.ca.gov/calcard/default.htm> to view the MSA.

This MSA offers the following advantages and benefits to Users:

1. No cost purchase services program.
2. Provides rebates (average transaction, volume sales, and prompt payment) to participating agencies.
3. Eliminates extensive advertising, bidding, and contracting procedures by using the less formal standardized MSA ordering process. Three competitive bids are not required.
4. Contractor has been prequalified for the contract and DVBE criteria have already been met.

A. CONTRACT ADMINISTRATOR INFORMATION

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B. CONTRACTOR INFORMATION

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C. TERM OF MSA

The term of the Master Purchase Agreement (MPA) is October 19, 2006 through October 18, 2011, with one (1) additional two (2) year term. State agencies may not enter into agreements with an end date extending more than 12-months beyond MSA contract term expiration date. The Department of General Services, Procurement Division may utilize the option for one (1), two (2) year contract extension. If the current contract is extended, a supplement will be issued noting the new contract expiration date.

D. ADMINISTRATIVE FEE

Participating agencies do not pay an administrative fee to utilize the CAL-Card contract.

E. SMALL BUSINESS PREFERENCE

Contractor did not subcontract with certified California small business enterprises.

F. DISABLED VETERAN BUSINESS ENTERPRISES (DVBE)

Contractor did not subcontract with certified DVBE subcontractors. US Bank met the DVBE requirements by performing a “good faith effort.”

G. INCENTIVES (REBATES)

For the purpose of earning and receiving incentives (rebates), Participating Agencies will receive the Prompt Payment Rebate structure from the previous contract (# 5-00-CC-02) until December 31, 2006. Rebates as described in this contract (# 5-06-99-01) will begin January 1, 2007, and will be paid by the 50th calendar day following the end of a quarter.

1. Average Transaction Rebate

The following formula will be used to determine the Average Transaction Incentive for each participating agency:

$$\frac{\text{Total Sales (Quarterly)}}{\text{\# of Transactions (Quarterly)}} \times 0.75 = \text{Average Transaction Rebate}$$

Distribution of the Quarterly Average Transaction Rebate shall include the following condition: Computed Quarterly Average Transaction Rebate to the Participating Agency shall not exceed 2% of the Participating Agency's Quarterly Total Spend. Amount in excess of 2% of the Participating Agency's Quarterly Total Spend shall be forwarded to the Department of General Services under the heading of Administrative Fee – Excess Quarterly Average Transaction Rebate.

2. Volume Sales Rebate

The following formula will be used to determine the Volume Sale Incentive for each participating agency:

$$\text{Total Sales (each individual participating agency)} \times .00393 = \text{Volume Sales Rebate}$$

3. Prompt Payment Rebate

The following formula will be used to determine the Prompt Payment Incentive for each participating agency:

$$\frac{45 \text{ Days} - \# \text{ of days to pay (date of ACH or check)}}{45 \text{ Days (maximum \# of days)}} \times 0.0045 \times \text{invoice amount} = \text{Prompt Pay Rebate}$$

SECTION II

ORDERING PROCEDURES FOR STATE AND LOCAL AGENCIES

A. STATE AGENCY INSTRUCTIONS

In addition to procedures delineated in these user instructions, requirements contained in the DGS/PD Purchasing Authority Manual (PAM), State Contracting Manual (SCM), and the participating agency's internal CAL-Card procedures must be complied with.

1. **Authority to Use the MSA**

Departments should use this MSA in accordance with Public Contract Code (PCC) 10335, State Administrative Manual (SAM) 1200, and SCM, Volume 1. Contracts executed under this MSA may not exceed the approved dollar threshold noted in the department/agency purchasing authority. Refer to Chapter 1 of the Purchasing Authority Manual (PAM) for additional information regarding purchasing authority.

2. **Competition and Advertising**

Ordering agencies are not required to solicit multiple offers nor post an advertisement in the State Contracts Register when executing an addendum to participate in this MSA.

3. **Cost Limits/Dollar Thresholds**

The CAL-Card program is a “no cost” program; however, if there are costs under this MSA, the costs may not exceed \$250,000 in accordance with MM03-10. The total contract value shall be based on the cumulative value after including any amendments (i.e., a \$200,000 contract plus a \$60,000 amendment shall be considered a \$260,000 contract, and subject to the requirements accordingly).” Pursuant to PCC Section 10329, willfully splitting a single purchasing transaction into a series of transactions for the purpose of evading the bidding requirements or to circumvent dollar thresholds is prohibited.

4. **Preparation of Standard Agreement (STD 213)**

STANDARD AGREEMENT (STD 213) - In order to participate in this Master Service Agreement (MSA), State of California agencies must complete a standard agreement (Std. 213), otherwise called an Addendum. A sample of the State agency standard agreement (Std. 213) can be downloaded at the website link below:

<http://www.pd.dgs.ca.gov/calcard/default.htm>

5. **CAL-Card Contract**

Please refer to the CAL-Card contract for the contractor's responsibilities at the website link below:

<http://www.pd.dgs.ca.gov/calcard/default.htm>

6. Purchasing Authority Manual (PAM) for CAL-Card Program

Please refer to the PAM Chapter 9 for instructions (State agencies only) on the CAL-Card Program at the website link below:

<http://www.pd.dgs.ca.gov/deleg/pamannual.htm>

7. MSA File Documentation and Other Applicable Requirements

Please refer to PAM Chapter 6 for more information regarding the required MSA file documentation (State agencies only) at the website link below:

<http://www.pd.dgs.ca.gov/deleg/pamannual.htm>

B. INSTRUCTIONS FOR LOCAL AGENCIES

Local agencies utilizing this MSA:

- 1. Agree to all operational terms and conditions.**
- 2. May use the local agency addendum document to initiate a contract by following the instructions at the website link below:**

<http://www.pd.dgs.ca.gov/calcard/default.htm>

C. INSTRUCTIONS FOR WESTERN STATES CONTRACTING ALLIANCE (WSCA)

WSCA State, US Bank, and the State of California agree to mutually develop a WSCA participating agreement.

1. Western State Contract Alliance (WSCA) Contract Administration

- Lead state (State of California) administers contract, based on the approved budget.

2. WSCA Managing Participation

- WSCA participating states are responsible for managing participation of its entities.
- WSCA Amendments
 1. Lead state (State of California) is responsible for amending the base contract if required.
 2. If amendment has substantial impact on contract, amendment should be sent to WSCA Directors for review.
 3. Participating states are responsible for negotiating with Contractor any amendments to their own participating agreement with Contractor, but must keep lead state informed of changes made to such participating agreement.

3. Incentive (Rebate) Programs

WSCA states are entitled to the same Incentive (Rebate) Programs that are provided to the Lead state. Therefore, the WSCA states will benefit from the Incentive (Rebate)

Programs and be entitled to all incentives (Average Transaction Incentive, Volume Sales Incentive, Prompt Payment Incentive, and Administrative Fee) in this agreement.

D. STATE AGENCIES WITH OVERSIGHT RESPONSIBILITIES

1. State Controller's Office - <http://www.sco.ca.gov/>
2. Department of Finance - <http://www.dof.ca.gov/default.asp>
3. Bureau of State Audits - <http://www.oig.ca.gov/reports/audits.asp>
4. PD, Purchasing Authority Management (PAM) Section - <http://www.pd.dgs.ca.gov/deleg/purchcomp.htm>

SECTION III

CAL-CARD FORMS/GUIDES

A. Request to Participate (RTP)

<http://www.pd.dgs.ca.gov/calcard/default.htm>

B. Sample addendums for State agencies (Standard 213) and local agencies:

State agencies: <http://www.pd.dgs.ca.gov/calcard/default.htm>

Local agencies: <http://www.pd.dgs.ca.gov/calcard/default.htm>

C. State Agency - File Documentation Checklist

For the acquisition of “Cost” services under this MSA, state agencies must follow the documentation requirements for Leveraged Procurements found in Chapter 6 of the Purchasing Authority Manual within the following link:

<http://www.documents.dgs.ca.gov/pd/delegations/FildocLPA.pdf>

D. CAL-Card Incentive (Cost/Rebate) Worksheet

The CAL-Card incentive (contractors’ cost/rebate) worksheet is at the website link below:

<http://www.pd.dgs.ca.gov/calcard/default.htm>

E. CAL-Card Contact Information

State of California: <http://www.pd.dgs.ca.gov/calcard/default.htm>

US Bank: <http://www.pd.dgs.ca.gov/calcard/default.htm>

F. Late Payment Penalties Rate - State of California Budget Letter

<http://www.pd.dgs.ca.gov/calcard/default.htm>

G. Program Guides

<http://www.pd.dgs.ca.gov/calcard/default.htm>

H. User Group Meetings

<http://www.pd.dgs.ca.gov/calcard/default.htm>

I. Training

1. Web-based Program Management Training - <http://www.pd.dgs.ca.gov/calcard/default.htm>
2. Classroom and PowerPoint Training - <http://www.pd.dgs.ca.gov/calcard/default.htm>
3. Web-conference Training - <http://www.pd.dgs.ca.gov/calcard/default.htm>

J. Excluded Merchant Category Codes

Department of General Service and U.S. Bank will develop a listing of “High Risk” Merchant Category Codes. For a listing of excluded Merchant Category Codes go to:
<http://www.pd.dgs.ca.gov/calcard/default.htm>

K. Other Important Forms/Guides:

1. Account Maintenance Forms - <http://www.pd.dgs.ca.gov/calcard/default.htm>
2. Frequently Asked Questions (FAQ) - <http://www.pd.dgs.ca.gov/calcard/default.htm>